REMARKS/ARGUMENTS

In response to the Office Action dated April 06, 2007, Applicant respectfully requests reconsideration based on the above claim amendments and the following remarks. Applicant respectfully submits that the claims as presented are in condition for allowance.

Claims 24-31 and 34-43 are originally presented.

No claims are previously presented.

Claim 23, 32 and 33 are currently amended.

Claims 1-22 are canceled.

Claim 23 is objected to on the basis of an informality. Namely, "a number allocated securities" within the claim language is missing the preposition "of".

Claims 23-43 are rejected under 35 U.S.C. §102(e) as being anticipated by U.S. Patent Application Publication 2002/0087373 to Dickstein et. al (hereinafter "Dickstein").

Claims 23-43 remain in this application.

In view of the following remarks, Applicant respectfully requests reconsideration of the rejected claims and allowance of the subject application.

Interview with Examiner

Applicant wishes to thank the Examiner for both the telephonic interview on June 28, 2007 and the follow up conversation on July 2, 2007. In particular, Applicant wishes to thank the Examiner for his helpful assistance regarding both the claim amendments listed above and the arguments listed below.

Objections

Claim 23 is objected to on the basis of an informality. Namely, "a number allocated securities" within the previous claim language is missing the preposition "of". Claim 23 has been amended to include "of", thus ameliorating this objection.

35 U.S.C. §102

Claims 23-43 are rejected under 35 U.S.C. §102(e) as being anticipated by Dickstein. Applicant respectfully traverses the rejection.

Amended independent claim 23 recites:

A method for providing restricted security distribution
instructions to a transfer agent comprising the steps of:
    receiving distribution information from a Venture Capitalist
("VC") in electronic form, the distribution information including
data indicating for each participant in the distribution a name, an
identification number, and a number of allocated securities;
    importing the distribution information into a database system;
    matching participants identified in the distribution
information to participant information previously entered in the
database system;
    associating each respective participant in the distribution
information with a contact from which instructions regarding a
disposition of the allocated securities to each respective participant

can be obtained;

  indicating contacts who must be contacted to obtain distribution instructions for associated participants;

  storing distribution instructions received from contacts in the database system;

  generating a report containing received distribution instructions for the participants in the distribution; and

  providing the report to a transfer agent.

Dickstein fails to disclose the method of claim 23. Instead, Dickstein describes using a database administration system configured to manage a company's capitalization structure. (*Dickstein*, paragraph 28). Agents, such as stakeholders, can directly access information managed by the database administration system via the Internet; and customized screens allow stakeholders to track payments made for stock. (*Dickstein*, paragraphs 31, 32).

The database administration system can check to see if a security, such as a stock option, can be granted to an entity (i.e. the database administration system can check to see if the company has a stock option plan, and determine if there are still shares available to be granted). (*Dickstein*, paragraph 33). Dickstein also describes determining what kind of shares can be granted to the entity based on the entity's employment status with the company -- though Dickstein omits any disclosure as to how the entity's employment status with the company is determined. (*Dickstein*, paragraph 33).

The database administration system can also search a database to see if a file has been created in the database for the entity. (*Dickstein*, paragraph 33). If no such file exists, one can be created --though Dickstein again omits to describe how such a file is created. (*Dickstein*, paragraph 33).

If it is determined that the entity can receive options, the database administration system creates a vesting schedule for options to be granted to the entity and issues stock certificates. (*Dickstein*, paragraph 33, 35-36).

As a result, Dickstein fails to disclose "associating each respective participant in the distribution information with a contact from which instructions regarding a disposition of the allocated securities to each respective participant can be obtained" as recited in claim 23. Instead, Dickstein merely describes that the types of shares which can be granted to an entity are determined based on the entity's employment status with the company. The specifics of how the entity's employment status is determined are not disclosed in Dickstein. Nor is any mention made in Dickstein of contacting contacts to glean any information -- including information useful in the disposition of shares of stock or other securities to the entity.

Thus, Dickstein fails to disclose or show "associating each respective participant in the distribution information with a contact from which instructions regarding a disposition of the allocated securities to each respective participant can be obtained", as recited in claim 23.

In rejecting claim 23, the Office relies on paragraph 33 of Dickstein as disclosing associating each respective participant in the distribution with a contact from which instructions regarding disposition of the allocated securities to the respective participant can be obtained. (*Office Action*, Page 3).

Applicant respectfully disagrees. As noted above, under Dickstein, decisions on what kinds of security offerings can be made to an entity depend on a file for the entity in a database and an employment status of the entity. Dickstein

omits any descriptions as to how such a file is made, and does not give information as to how the entity's employment status is determined. Thus Dickstein fails to disclose or show "associating each respective participant in the distribution information with a contact from which instructions regarding a disposition of the allocated securities to each respective participant can be obtained" as recited in claim 23.

Dickstein also fails to disclose or show "indicating contacts who must be contacted to obtain distribution instructions for associated participants" and "storing distribution instructions received from contacts in the database system" as recited in claim 23. Rather, as noted above, Dickstein makes no mention as to how files are created for entities if the files do not exist in a database managed by the database administration system. Similarly, Dickstein makes no mention as to how an employment status of an entity is determined with regard to a company issuing a security to the entity. As such, Dickstein makes no disclosure regarding either "indicating contacts who must be contacted to obtain distribution instructions for associated participants" or "storing distribution instructions received from contacts in the database system" as recited in claim 23.

In rejecting claim 23, the Office relies on paragraph 33 of Dickstein as disclosing indicating contacts who must be contacted to obtain distribution instructions for associated participants. (*Office Action*, Page 3). Similarly, the Office relies on claim 44 as disclosing storing distribution instructions received from contacts in the database system. (*Office Action*, Page 4).

Applicant respectfully disagrees. As noted above, under Dickstein a database is searched by a database administration system to see if a file has been

created in the database for the entity. If no file exists, one is created. Dickstein makes no mention of how the file is created, however. Moreover, under Dickstein the types of shares which can be granted to an entity are determined based on the entity's employment status with the company. Dickstein fails, however, to indicate how the entity's employment status is determined.

Therefore Dickstein omits to disclose "indicating contacts who must be contacted to obtain distribution instructions for associated participants", as recited in claim 23. Instead, Dickstein merely describes determining the types of shares which can be distributed to an entity based on the entity's employment status with the company.

Moreover, since Dickstein fails to disclose or show contacting contacts, "storing distribution instructions received from contacts in the database system" as recited in claim 23 makes no sense under Dickstein.

Accordingly, since Dickstein does not disclose or show all of the elements of claim 23, the §102(e) anticipation rejection of claim 23 based on Dickstein is not supported. Applicant therefore respectfully requests that the §102(e) rejection of claim 23 be withdrawn.

Dependent claims 24-33 are allowable at the least by virtue of their dependency on base claim 23, as well as for the additional elements they include. Applicant respectfully requests that the §102(e) rejection of claims 24-33 be withdrawn.

Independent claim 34 recites:

A system for generating restricted security distribution instruction reports suitable for use by a transfer agent, the system comprising:

a database;

at least one client computer system having access to the database;

a database import module configured to import into the database distribution information received from an originating entity in electronic form, the distribution information including data indicating for respective participants in the distribution a name, an identification number, and a number of allocated securities;

a participant matching module configured to match participants identified in the distribution information to participant information previously stored in the database;

a participant contact association module configured to associate each participant in the distribution with a contact from which instructions regarding the disposition of the securities allocated to the participant can be obtained;

a call queue module configured to indicate contacts who must be contacted to obtain distribution instructions for associated participants;

at least one disposition module configured to store distribution instructions received from the contacts; and

a participant instruction report module configured to generate a report containing received instructions for the participants, the report suitable for electronic transfer to the transfer agent.

For reasons similar to those discussed above, Dickstein fails to disclose the system of claim 34.

For example, Dickstein fails to disclose "a participant contact association module configured to associate each participant in the distribution with a contact from which instructions regarding the disposition of the securities allocated to the participant can be obtained" as recited in claim 34.

Instead, Dickstein merely describes that the types of shares which can be granted to an entity are determined based on the entity's employment status with the company. The specifics of how the entity's employment status is determined are not disclosed in Dickstein. Nor is any mention made in Dickstein of contacting contacts to glean any information -- including information useful in the disposition of shares of stock or other securities to the entity.

In rejecting claim 34, the Office relies on paragraph 33 and Figure 2 (elements 201, 202, and 204) of Dickstein as disclosing a participant contact association module configured to associate each participant in the distribution with a contact from which instructions regarding the disposition of the securities allocated to the participant can be obtained. (*Office Action*, Page 8).

Applicant respectfully disagrees. As noted above, under Dickstein, decisions on what kinds of security offerings can be made to an entity depend on a file for the entity in a database and an employment status of the entity. Dickstein omits any descriptions as to how such a file is made, and does not give information as to how the entity's employment status is determined. Thus Dickstein fails to disclose or show "a participant contact association module configured to associate each participant in the distribution with a contact from which instructions regarding the disposition of the securities allocated to the participant can be obtained" as recited in claim 34.

Dickstein also fails to disclose or show "a call queue module configured to indicate contacts who must be contacted to obtain distribution instructions for associated participants" and "at least one disposition module configured to store distribution instructions received from the contacts" as recited in claim 34. In fact,

Dickstein makes no mention of indicating contacts who must be contacted to obtain distribution instructions for associated participants. Instead Dickstein simply recites that files are created for entities when the files do not exist in a database managed by the database administration, and employment statuses are determined for the entities in order to determine the types of shares which can be distributed to the entities.

Dickstein gives no description, however, as to how either of these activities are completed. As such, Dickstein fails to disclose or show either "a call queue module configured to indicate contacts who must be contacted to obtain distribution instructions for associated participants" or "at least one disposition module configured to store distribution instructions received from the contacts" as recited in claim 34.

In rejecting claim 34, the Office relies on paragraph 33 and Figure 2 (elements 201, 202, and 204) of Dickstein as disclosing a call queue module configured to indicate contacts who must be contacted to obtain distribution instructions for associated participants. (*Office Action*, Page 8). Similarly, the Office relies on paragraph 21 and Figure 2 (element 204) of Dickstein as disclosing "at least one disposition module configured to store distribution instructions received from the contacts". (*Office Action*, Page 8).

Applicant respectfully disagrees. As noted above, under Dickstein a database is searched by a database administration system to see if a file has been created in the database for the entity. If no file exists, one is created. Dickstein makes no mention of how the file is created, and Dickstein makes no mention of contacts who must be contacted to obtain distribution instructions for associated

participants. Instead, Dickstein merely describes determining the types of shares which can be distributed to an entity based on the entity's employment status with the company. However, how this employment status is determined is not provided anywhere by Dickstein. Consequently, Dickstein omits to disclose "a call queue module configured to indicate contacts who must be contacted to obtain distribution instructions for associated participants" as recited in claim 34.

Moreover, since Dickstein fails to disclose or show contacts who must be contacted to obtain distribution instructions for associated participants, "at least one disposition module configured to store distribution instructions received from the contacts" as recited in claim 34 makes no sense under Dickstein.

Accordingly, since Dickstein does not disclose or show all of the elements of claim 34, the §102(e) anticipation rejection of claim 34 based on Dickstein is not supported. Applicant therefore respectfully requests that the §102(e) rejection of claim 34 be withdrawn.

Dependent claims 35-43 are allowable at the least by virtue of their dependency on base claim 34, as well as for the additional elements they include. Applicant respectfully requests that the §102(e) rejection of claims 35-43 be withdrawn.

CONCLUSION

The Applicant submits that all of the remaining claims are in condition for allowance and respectfully requests that a Notice of Allowability be issued. If the Office's next anticipated action is not the issuance of a Notice of Allowability, the Applicant respectfully requests that the undersigned attorney be contacted for the purpose of scheduling an interview.

Respectfully Submitted,

Dated: July 3, 2007   By: Jim Patterson

Jim Patterson
Reg. No. 52,103
Attorney for Applicant

LEE & HAYES PLLC
Suite 500
421 W. Riverside Avenue
Spokane, Washington 99201
Telephone: 509-324-9256 x247
Facsimile: (509) 323-8979